



## Senate

General Assembly

**File No. 341**

January Session, 2017

Substitute Senate Bill No. 861

*Senate, March 30, 2017*

The Committee on Energy and Technology reported through SEN. WINFIELD of the 10th Dist. and SEN. FORMICA of the 20th Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

### ***AN ACT CONCERNING RATEPAYER IMPACT STATEMENTS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 2-24 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2017*):

3 The words "State of Connecticut" shall be printed at the head of each  
4 bill and document printed by order of the General Assembly, or either  
5 house thereof, and on its title page or cover, if any. Before printed,  
6 electronic or photographic copies of an original bill are made, the bill  
7 shall be endorsed with (1) the date of its introduction; (2) its number;  
8 (3) the name of the member or committee introducing it; and (4) the  
9 name of the committee to which it was referred. Copies of bills or  
10 resolutions printed or produced electronically after favorable report by  
11 a committee or reprinted or produced electronically after amendment  
12 on the third reading, i.e., files, shall bear the file number of such bill or  
13 resolution, placed conspicuously at the head of the same, which file  
14 number shall be assigned by the Legislative Commissioners' Office in

15 the order printed or produced, the number and title of the bill, the  
16 name of the committee to which it was referred, the date and nature of  
17 the committee's report, [and,] in any case where the bill, if passed,  
18 would require the expenditure of state or municipal funds or affect  
19 state or municipal revenue, a fiscal note, including an estimate of the  
20 cost or of the revenue impact shall be appended thereto, and, in any  
21 case where the bill, if passed, would have a financial impact on electric  
22 ratepayers, a ratepayer impact statement, as described in subsection (b)  
23 of section 2-24a, as amended by this act. When a bill or resolution is  
24 accompanied with a report of a committee, other than a  
25 recommendation that it ought or ought not to pass, it shall then have  
26 an additional endorsement, as follows: "Accompanied by special  
27 report, No.-". Bills shall be designated in the calendar of each house by  
28 their file numbers, as well as by the titles and numbers of the bills.

29 Sec. 2. Section 2-24a of the general statutes is repealed and the  
30 following is substituted in lieu thereof (*Effective July 1, 2017*):

31 (a) No bill without a fiscal note appended thereto which, if passed,  
32 would require the expenditure of state or municipal funds or affect  
33 state or municipal revenue in the current fiscal year or any of the next  
34 ensuing five fiscal years shall be acted upon by either house of the  
35 General Assembly unless said requirement of a fiscal note is dispensed  
36 with by a vote of at least two-thirds of such house. Such fiscal note  
37 shall clearly identify the cost and revenue impact to the state and  
38 municipalities in the current fiscal year and in each of the next ensuing  
39 five fiscal years.

40 (b) Beginning with the session of the General Assembly  
41 commencing on January 9, 2019, no bill without a ratepayer impact  
42 statement appended thereto which, if passed, would have a financial  
43 impact on electric ratepayers, shall be acted upon by either house of  
44 the General Assembly. Such statement shall (1) be prepared by the  
45 Office of Fiscal Analysis; and (2) provide an assessment as to whether  
46 such bill is most likely to increase, decrease or have no impact on the  
47 cost of electricity to the majority of Connecticut electric ratepayers.

48 Sec. 3. Section 2-24a of the general statutes, as amended by section  
 49 169 of public act 15-244, is repealed and the following is substituted in  
 50 lieu thereof (*Effective July 1, 2019*):

51 (a) No bill without a fiscal note appended thereto which, if passed,  
 52 would require the expenditure of state or municipal funds or affect  
 53 state or municipal revenue in the current fiscal year or any of the next  
 54 ensuing five fiscal years shall be acted upon by either house of the  
 55 General Assembly unless said requirement of a fiscal note is dispensed  
 56 with by a vote of at least two-thirds of such house. Such fiscal note  
 57 shall clearly identify the cost and revenue impact to the state and  
 58 municipalities in the current fiscal year and in each of the next ensuing  
 59 five fiscal years. If the bill has any impact on the personal income tax  
 60 imposed under chapter 229 or the corporation business tax imposed  
 61 under chapter 208, or both, such fiscal note shall clearly identify any  
 62 resulting impact on the deposits to the Budget Reserve Fund pursuant  
 63 to section 4-30a.

64 (b) Beginning with the session of the General Assembly  
 65 commencing on January 9, 2019, no bill without a ratepayer impact  
 66 statement appended thereto which, if passed, would have a financial  
 67 impact on electric ratepayers, shall be acted upon by either house of  
 68 the General Assembly. Such statement shall (1) be prepared by the  
 69 Office of Fiscal Analysis; and (2) provide an assessment as to whether  
 70 such bill is most likely to increase, decrease or have no impact on the  
 71 cost of electricity to the majority of Connecticut electric ratepayers.

|   |                     |       |
|---|---------------------|-------|
| This act shall take effect as follows and shall amend the following sections: |                     |       |
| Section 1   | <i>July 1, 2017</i> | 2-24  |
| Sec. 2  | <i>July 1, 2017</i> | 2-24a |
| Sec. 3  | <i>July 1, 2019</i> | 2-24a |

***Statement of Legislative Commissioners:***

In Section 1, "as amended by this act" was added for adherence to standard drafting conventions.

*ET*      *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### ***OFA Fiscal Note***

#### ***State Impact:***

| <b>Agency Affected</b> | <b>Fund-Effect</b> | <b>FY 18 \$</b> | <b>FY 19 \$</b>      |
|------------------------|--------------------|-----------------|----------------------|
| Legislative Management | GF - Cost          | None            | Less than<br>\$7,500 |

Note: GF=General Fund

#### ***Municipal Impact:*** None

#### ***Explanation***

The bill requires the Office of Fiscal Analysis (OFA) to prepare a ratepayer impact statement for any bill before the General Assembly that would have a fiscal impact on electric ratepayers and prohibits the House or Senate from acting on a bill without a ratepayer impact statement, starting with the 2019 legislative session.

The statement must assess whether the bill would increase, decrease, or have no impact on the cost of electricity for the majority of Connecticut ratepayers.

As OFA does not currently have expertise identifying ratepayer impacts, OFA will incur one-time costs, estimated to be less than \$7,500 in FY 19, associated with training for all analysts.

#### ***The Out Years***

There are no annualized ongoing fiscal impacts as any costs would occur in FY 19 only.

**OLR Bill Analysis****SB 861*****AN ACT CONCERNING RATEPAYER IMPACT STATEMENTS.*****SUMMARY**

This bill requires the Office of Fiscal Analysis to prepare a ratepayer impact statement for any bill before the General Assembly that would, if passed, have a financial impact on electric ratepayers. And beginning with the 2019 legislative session, the bill prohibits either house of the General Assembly from acting on such a bill without a ratepayer impact statement. The statement must assess whether the bill would increase, decrease, or have no impact on the cost of electricity for the majority of Connecticut ratepayers.

The bill also makes a conforming change.

EFFECTIVE DATE: July 1, 2017, except for the conforming change that takes effect July 1, 2019.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable

Yea    24    Nay   0    (03/16/2017)